

**Iowa Department of Natural Resources
Environmental Protection Commission**

ITEM

15

DECISION

TOPIC

Notice of Intended Action - Chapter 22 (Air Construction Permitting Exemption)

The Department is requesting permission from the Commission to proceed with the rulemaking process and publish a Notice of Intended Action to amend Chapter 22 "Controlling Pollution" of the 567 Iowa Administrative Code. The purpose of this rulemaking is to list additional equipment that, due to do its low emissions of regulated air pollutants, are not required to obtain construction permits.

Between July 2006 and September 2006, the department and representatives from the Iowa Nebraska Equipment Dealer's Association, Ziegler Cat, Cessford Construction, the Iowa Limestone Producers Association, equipment manufacturers such as John Deere Company and Vermeer Manufacturing, and the University of Northern Iowa Air Emissions Assistance Program met three times to discuss permitting considerations related to emissions from agricultural and construction equipment repair facilities and dealerships. When agricultural and construction equipment with internal combustion engines are operated on or off road they are not required to be permitted. When this equipment is serviced at a repair facility or dealership, the emissions from the equipment when operated inside the facility are frequently vented through a vent or stack. These facilities are considered stationary sources by definition and the department has the authority to regulate the emissions from the facility through the construction permitting process.

The department has historically not sought construction permit applications for emission points at agricultural and construction equipment repair facilities and dealerships that are exhausting emissions only from mobile internal combustion engines. The department reviewed the technical validity of exempting these emissions from the requirement to obtain a construction permit. Based on emissions and operating information obtained from the workgroup, the department is proposing that emissions from agricultural and construction equipment mobile internal combustion engines at non-major repair facilities and dealerships be exempted from the requirement to obtain a construction permit. This amendment is expected to have little or no environmental or human health consequences.

A public hearing will be held on March 5, 2007, at 2:00 p.m. in the department's Air Quality Bureau conference rooms. Comments may be submitted orally or in writing at the public hearing. All comments must be received no later than March 9, 2007.

An administrative rules fiscal impact statement is attached.

Jim McGraw, Environmental Program Supervisor
Program Development Section, Air Quality Bureau
Environmental Services Division

ENVIRONMENTAL PROTECTION COMMISSION [567]

Notice of Intended Action

Pursuant to the authority of Iowa Code section 455B.133, the Environmental Protection Commission hereby gives Notice of Intended Action to amend Chapter 22, “Controlling Pollution,” of 567 Iowa Administrative Code.

The purpose of this rulemaking is to list additional equipment that, due to do their low emissions of regulated air pollutants, are not required to obtain construction permits.

Between July 2006 and September 2006, the department and representatives from the Iowa Nebraska Equipment Dealer’s Association, Ziegler Cat, Cessford Construction, the Iowa Limestone Producers Association, equipment manufacturers such as John Deere Company and Vermeer Manufacturing, and the University of Northern Iowa Air Emissions Assistance Program met three times to discuss permitting considerations related to emissions from agricultural and construction equipment repair facilities and dealerships. When agricultural and construction equipment with internal combustion engines are operated on or off road they are not required to be permitted. When this equipment is serviced at a repair facility or dealership, the emissions from the equipment when operated inside the facility are frequently vented through a vent or stack. These facilities are considered stationary sources by definition, and the department has the authority through the construction permitting process to regulate the emissions from the facility, .

The department has historically not sought construction permit applications for emission points at agricultural and construction equipment repair facilities and dealerships that are only exhausting emissions from mobile internal combustion engines. The department reviewed the technical validity of exempting emissions from agricultural and construction equipment repair facilities and dealerships that are only exhausting emissions from mobile internal combustion

engines from the requirement to obtain a construction permit. Based on emissions and operating information obtained from the workgroup, the department is proposing that emissions from agricultural and construction equipment mobile internal combustion engines at non-major repair facilities and dealerships be exempted from the requirement to obtain a construction permit. This amendment is expected to have little or no environmental or human health consequences.

All construction permitting exemptions apply only to the requirement to obtain an air construction permit. The owner or operator of a facility retains the obligation to determine whether other air quality requirements apply to exempted equipment or processes, and if such obligations exist, to meet those.

The proposed rule amends subrule 22.1(2) by adding a new paragraph “nn” that exempts emissions from agricultural and construction mobile internal combustion engines that are operated for repair or maintenance purposes at equipment repair shops and equipment dealerships that are not major sources as defined in rule 22.100(455B).

Any person may make written suggestions or comments on the proposed amendments on or before March 9, 2007. Written comments should be directed to Jim McGraw, Department of Natural Resources, Air Quality Bureau, 7900 Hickman Road, Suite 1, Urbandale, Iowa 50322; fax (515) 242-5094; or by electronic mail to jim.mcgraw@dnr.state.ia.us.

A public hearing will be held on March 5, 2007, at 2:00 p.m. in the conference rooms at the Department’s Air Quality Bureau located at 7900 Hickman Road, Urbandale, Iowa. Comments may be submitted orally or in writing at the public hearing. All comments must be received no later than March 9, 2007.

Any person who intends to attend the public hearing and has special requirements such as those related to hearing or mobility impairments should contact Jim McGraw at (515) 242-5167

to advise of any specific needs.

This amendment is intended to implement Iowa Code section 455B.133.

The following amendment is proposed.

Amend subrule 22.1(2) by adopting a **new** paragraph “nn”:

nn. Emissions from mobile agricultural and construction internal combustion engines that are operated only for repair or maintenance purposes at equipment repair shops or equipment dealerships, and the repair shops or equipment dealerships are not major sources as defined in rule 22.100(455B).

Date

Jeffrey R. Vonk Director

Administrative Rule Fiscal Impact Statement

Date: November 8, 2006

Agency: Natural Resources

IAC Citation: 567 IAC Chapter 22.1(2)

Rules Contact: Anne Preziosi

Summary of the Rule: The purpose of this rulemaking is to exempt emissions from agricultural and construction mobile internal combustion engines that are operated for repair or maintenance purposes at non-major equipment repair shops and equipment dealerships. This rulemaking is a result of a workgroup comprised of Iowa Nebraska Equipment Dealer's Association, Ziegler Cat, Cessford Construction, the Iowa Limestone Producers Association, equipment manufacturers such as John Deere Company and Vermeer Manufacturing, and the University of Northern Iowa Air Emissions Assistance Program.

Fill in this box if the impact meets these criteria:

- ☒ No Fiscal Impact to the State.
☐ Fiscal Impact of less than \$100,000 annually or \$500,000 over 5 years.
☐ Fiscal Impact cannot be determined.

Brief Explanation:

There will be no change in state revenues or expenditures as a result of this rule.

Fill in the form below if the impact does not fit the criteria above:

☐ Fiscal Impact of \$100,000 annually or \$500,000 over 5 years.

* Fill in the rest of the Fiscal Impact Statement form.

Assumptions:

Describe how estimates were derived:

Estimated Impact to the State by Fiscal Year

| | <u>Year 1 (FY)</u> | <u>Year 2 (FY)</u> |
|--------------------------------|------------------------|------------------------|
| Revenue by Each Source: | | |
| GENERAL FUND | | |
| FEDERAL FUNDS | | |
| Other (specify) | | |
| | _____ | _____ |
| TOTAL REVENUE | | |
| Expenditures: | | |
| GENERAL FUND | | |
| FEDERAL FUNDS | | |
| Other (specify) | | |
| | _____ | _____ |
| TOTAL EXPENDITURES | | |
| NET IMPACT | | |

☐ This rule is required by State law or Federal mandate.
Please identify the state or federal law:

☐ Funding has been provided for the rule change.
Please identify the amount provided and the funding source:

☒ Funding has not been provided for the rule.
Please explain how the agency will pay for the rule change:
The State does not currently charge air construction permit fees. As no fees are collected, the reduction of construction permit applications and modifications will not cause a financial impact to the State. The agency will not need additional revenue to implement this rule.

Fiscal impact to persons affected by the rule:

The proposed rule will allow some businesses to be exempt from the requirements to obtain air construction permits for new minor activities. The exemptions will reduce the recordkeeping time and paperwork burden for business for specific equipment that have little or no environmental impact or human health consequences.

Fiscal impact to Counties or other Local Governments (required by Iowa Code 25B.6):

No impact.

* If additional explanation is needed, please attach extra pages.

Agency Representative preparing estimate: Jim McGraw
Telephone Number: 515-242-5167